



Department of Justice

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AT
(202) 616-2771
TDD (202) 514-1888

JUSTICE DEPARTMENT ALLOWS INFORMATION EXCHANGE AMONG TOWING AND BARGE COMPANIES

WASHINGTON, D.C. – The Department of Justice indicated that it will allow a proposed exchange of historical cost information among 10 towing and barge companies that operate in various U.S. waters.

In an effort to reduce their operating costs, the firms propose to submit certain historical cost information to an independent third party who will compile the data and distribute a statistical analysis to the companies in the form of a survey. The purpose of the survey would be to establish benchmarks and best practices so that each company will be better able to identify those areas in which it has the greatest potential to reduce costs, improve efficiency and improve the quality and value of the service it offers to customers.

The 10 initial participants will be Foss Maritime Company, Crescent Towing Company Inc., Crowley Marine Services, Hawaiian Tug and Barge, Intercoastal Towing Corp., Maritrans Operating Partners LP, McAllister Towing & Transportation, Moran Towing Corporation, Penn Maritime, and Sause Bros. Ocean Towing.

In a business review letter to the applicants' counsel, Charles A. James, Assistant Attorney General in charge of the Antitrust Division said, "The limited nature of the proposed cooperation - - historic cost information on an aggregated basis with no discussion of pricing or other sales related conduct - - should limit any risk that the data exchanged could lead to concerted pricing ...

the information exchanged should not have any anticompetitive effect.”

In accordance with guidelines previously announced by the Department of Justice and the Federal Trade Commission, the survey will be managed by an independent entity, such as a national accounting firm, and all data submitted by the companies to the survey manager will be more than three months old at the time the results are disseminated.

In addition, the survey manager will only distribute financial information if it collectively represents the towing and barge industry, not individual companies. No pricing information, marketing plans or equipment information will be included in the survey. No data of any kind will be exchanged directly between or amongst the individual companies.

Under the Department’s business review procedure, an organization may submit a proposed action to the Antitrust Division and receive a statement as to whether the Division will challenge the action under the antitrust laws.

A file containing the business review request and the Department’s response may be examined in the Antitrust Documents Group of the Antitrust Division, Suite 215, Liberty Place, 325 7th Street, N.W., Department of Justice, Washington, D.C. 20004. After a 30-day period, the documents supporting the business review will be added to the file.

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